

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re: STEPHEN C. BISHOP)	Case No. 09-37958-KRH
CYNTHIA D. BISHOP,)	Chapter 11
)	
Debtors)	

FINAL REPORT AND MOTION FOR FINAL DECREE

FINAL REPORT

Now come Stephen & Cynthia Bishop, debtors, and submit this Final Report and Motion for Final Decree. Contemporaneously with this report, the debtors are also submitting a Final Account which should be considered in evaluating the debtors' Motion for Final Decree.

There has been substantial consummation of the Plan confirmed by the Court on November 17, 2010. The debtors have attempted to surrender the property identified in Class 10 of the Plan, being that real estate located at 51 Northampton Boulevard, Stafford, Virginia 22554 and also identified as Tax Map 20P-2-752, to the creditor secured by that property, HSBC Bank USA, National Association c/o BAC Home Loans Servicing, LP ("HSBC"), but have been unable to complete this surrender because HSBC has responded that it will not accept the surrender or take further action with respect to the property until the debtors have received their discharge, or alternatively, been "conditionally released" by this Court; the debtors have assumed the management of all the remaining property dealt with by the plan; and the debtors have

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commenced distribution under the plan. Each of these three requirements under 11 USC §1101(2) is summarized below.

I

Transfer of Property

The plan requires that the debtors surrender the real estate at 51 Northampton Blvd, Stafford, VA 22554, also identified as Tax Map 20P-2-752, to HSBC. The debtors understand the Confirmation Order to be binding upon all creditors and parties in interest, including HSBC, and when combined with the provisions of the Chapter 11 Plan to effectively accomplish this transfer. To date, all further efforts to convey or surrender the real estate to the lien holder have been unsuccessful, in spite of this Court's Order confirming the Debtors' Chapter 11 Plan. HSBC has indicated that it will not accept the conveyance or surrender of the property, or take any further action with respect to the property, until the debtors have received their discharge, or alternatively, a "conditional release" has been obtained from this Court. The plan proposed no further transfer or surrender of property under the plan.

II

Assumption by the Debtors of Management of Property

The plan provided for the debtors to stay in control of their business and financial affairs and to continue to operate rental properties after confirmation. The plan did not contemplate any other individual or business entity taking control or assisting the debtors in the management of

these properties. Since November 17, 2010, the debtors have remained in control and have operated their business pursuant to the terms of the plan.

III

Distributions

In January 2011, the debtors commenced distribution to all holders of claims. The following amounts have been paid on those claims in each month since confirmation:

\$ 3005.50	Class 1
\$ 481.69	Class 2
\$0	Class 3 (lien strip – treated as unsecured in class 15)
\$ 1317.22	Class 4
\$ 814.78	Class 5
\$ 652.08	Class 6
\$1217.43	Class 7
\$814.51	Class 8
\$1283.81	Class 9 (bifurcated claim)
\$0	Class 10 (lien strip – treated as unsecured in class 15)
\$972.55	Class 11
\$0	Class 12 (Paid in Full prior to commencing distributions)
\$0	Class 13 (Paid in Full prior to commencing distributions)
N/A	Class 14 (no members of this class)
\$811.89	Class 15

The debtors have attempted, but have not been able, to surrender to the holder of the class 10 claim the real estate located at 51 Northampton Blvd, Stafford, VA 22554 also identified as Tax Map 20P-2-752. The holder of this claim has indicated that this will not be done until the Debtor's bankruptcy case is closed or "conditionally discharged". Also the lien holder of the class 9 claim, specifically 508 Pleasants Drive, has not acknowledged the strip down of the lien and is still demanding payments based on the original payment structure. As of the date of this

report, the debtors have made all payments contemplated by the plan including the commencement of distribution to unsecured creditors.

MOTION FOR FINAL DECREE

As shown above, there has been substantial consummation of the plan. The debtors are on schedule for meeting the payment provisions of the plan. The plan contemplated payment of ten percent (10%) to the allowed unsecured nonpriority claims. All administrative costs have been paid, except for a portion of the fees allowed to the Debtors' counsel, and it is not anticipated that there will be any further applications for administrative expenses. The Debtors have attempted to transfer all property anticipated to be transferred under the plan and will continue to cooperate with secured lenders to complete these transfers to the extent required by the provisions of the Plan. All pending motions, contested matters, fee applications and adversary proceedings have been resolved.

Wherefore the debtors respectfully request the court to approve their Final Report and grant their Motion for Final Decree by entering a Final Decree in this case.

Dated: October 17, 2011

/s/Robert B. Easterling

Robert B. Easterling

Attorney for the Debtors

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/s/Robert Van Arsdale

U.S. Trustee has reviewed and has no objection